

JULY 31, 1989

THE DIRECTOR OF THE DIVISION OF STATE LANDS & FORESTRY TOOK FORMAL ACTION ON JULY 31, 1989, AT 9:30 A.M. IN THE DIVISION OF STATE LANDS & FORESTRY OFFICE, 355 WEST NORTH TEMPLE, 3 TRIAD CENTER, SUITE 400, SALT LAKE CITY, UTAH 84180-1204, ON THE BELOW LISTED MINERAL AND SURFACE BUSINESS MATTERS AS INDICATED.

MINERAL LEASE APPLICATIONS

OIL, GAS & HYDROCARBON MINERAL LEASE APPLICATIONS - APPROVED

Upon recommendation of Mr. Blake, the Director approved the Oil, Gas and Hydrocarbon lease applications listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The applications have been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available.

Min. Lease Appl. No. 44443	<u>T12S, R10E, SLB&M.</u>	Carbon
Edward A. Watlington	Sec. 16: All	640.00 acres
1555 One Park Central		
1515 Arapahoe Street		
Denver, CO 80202		

Min. Lease Appl. No. 44444	<u>T12S, R11E, SLB&M.</u>	Carbon
Edward A. Watlington	Sec. 10: N $\frac{1}{2}$ N $\frac{1}{2}$	160.00 acres
1555 One Park Central		
1515 Arapahoe Street		
Denver, CO 80202		

Min. Lease Appl. No. 44447	<u>T2S, R7W, USB&M.</u>	Duchesne
James O. Breene, Jr.	Sec. 10: NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$	560.00 acres
1700 Broadway, No. 1219	Sec. 11: N $\frac{1}{2}$	
Denver, CO 80290		

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BUILDING STONE/LIMESTONE LEASE APPLICATION - APPROVED

Upon recommendation of Mr. Mansfield, the Director approved the Building Stone/Limestone lease application listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The application has been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available. The reassessment date is August 1, 1999.

Min. Lease Appl. No. 44446	T1S, R7W, SLB&M.	Tooele
Chemstar, Inc.	Sec. 36: NE¼, NE¼NW¼, SE¼NW¼	240.00 acres
2800 North 44th Street		
Suite 400		
Phoenix, AZ 85008		

DUE: \$40.00

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TOTAL ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Oil, Gas, and Hydrocarbon Lease listed below to Beard Oil Company, Enterprise Plaza, Suite 200, 5600 North May Avenue, Oklahoma City, OK 73112, by Lockard & Robbins, Inc., who reserves 3% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: LOCKARD & ROBBINS, INC.

....ML 42781....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Oil, Gas, and Hydrocarbon Lease listed below to Ann T. Healy, 2226 Hubbard Avenue, Salt Lake City, UT 84108, by Ann T. Healy (Personal Representative of the Estate of Robert L. Healy). No override.

LEASE OWNERSHIP: ROBERT L. HEALY
(ANN T. HEALY IS PERSONAL REPRESENTATIVE
OF THE ESTATE OF ROBERT L. HEALY)

....ML 42911....

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TOTAL ASSIGNMENTS--METALLIFEROUS MINERALS LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Metalliferous Minerals Leases listed below to Centurion Mines Corporation, 285 West North Temple, Suite 350, Salt Lake City, UT 84110, by Grand Central Mining Corporation. No override.

LEASE OWNERSHIP: GRAND CENTRAL MINING CORPORATION

....ML 43182....ML 43183....ML 43184....ML 43193....ML 43258....ML 43259....
....ML 43372....ML 43497....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Metalliferous Minerals Lease listed below to Kennecott Explorations (Australia) Ltd., 10 East South Temple Street, Salt Lake City, UT 84101, by Kennecott Minerals Company. No override, but subject to 2% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: KENNECOTT MINERALS COMPANY

....ML 23777....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Metalliferous Minerals Lease listed below to The Standard Oil Company, 200 Public Square, Cleveland, OH 44144-2375, by Kennecott Explorations (Australia) Ltd. No override, but subject to 2% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: KENNECOTT EXPLORATIONS (AUSTRALIA) LTD.

....ML 23777....

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TOTAL ASSIGNMENTS--METALLIFEROUS MINERALS LEASES (cont.)

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Metalliferous Minerals Lease listed below to Usevar Inc., 10 East South Temple Street, Salt Lake City, UT 84101, by The Standard Oil Company. No override, but subject to 2% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: THE STANDARD OIL COMPANY

....ML 23777....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Metalliferous Minerals Lease listed below to The Standard Oil Company, 200 Public Square, Cleveland, OH 44144-2375, by Kennecott Corporation. No override.

LEASE OWNERSHIP: KENNECOTT CORPORATION

....ML 26976....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Metalliferous Minerals Lease listed below to Gazelle Corporation (doing business in Utah as Kensalt Inc., 10 East South Temple Street, Salt Lake City, UT 84101, by The Standard Oil Company. No override.

LEASE OWNERSHIP: THE STANDARD OIL COMPANY

....ML 26976....

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TOTAL ASSIGNMENTS--METALLIFEROUS MINERALS LEASES (cont.)

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Metalliferous Minerals Lease listed below to The Standard Oil Company, 200 Public Square, Cleveland, OH 44144-2375, by Kennecott Corporation. No override.

LEASE OWNERSHIP: KENNECOTT CORPORATION

....ML 29634....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Metalliferous Minerals Lease listed below to Gazelle Corporation (doing business in Utah as Kensalt Inc., 10 East South Temple Street, Salt Lake City, UT 84101, by The Standard Oil Company. No override.

LEASE OWNERSHIP: THE STANDARD OIL COMPANY

....ML 29634....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Metalliferous Minerals Lease listed below to The Standard Oil Company, 200 Public Square, Cleveland, OH 44144-2375, by Kennecott Explorations (Australia) Ltd. No override.

LEASE OWNERSHIP: KENNECOTT EXPLORATIONS (AUSTRALIA) LTD.

....ML 27390....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Metalliferous Minerals Lease listed below to Usevar Inc., 10 East South Temple, Salt Lake City, UT 84101, by The Standard Oil Company. No override.

LEASE OWNERSHIP: THE STANDARD OIL COMPANY

....ML 27390....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Metalliferous Minerals Leases listed below to Usevar Inc., 10 East South Temple, Salt Lake City, UT 84101, by Kennecott Corporation. No override.

LEASE OWNERSHIP: KENNECOTT CORPORATION

....ML 43858....ML 43926....ML 44008....ML 44012....ML 44164....ML 44175....

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INTEREST ASSIGNMENT - METALLIFEROUS MINERALS LEASE

Upon recommendation of Mr. Bonner, the Director approved the assignment of 98% interest in and to the Metalliferous Minerals Lease listed below to Centurion Mines Corporation, 285 West North Temple, Suite 350, Salt Lake City, UT 84110, by Grand Central Mining Corporation. No override.

LEASE OWNERSHIP: GRAND CENTRAL MINING CORPORATION--98%,
FRANCIS HUDSON BOWDEN-1%, AND
E. RANDALL HUDSON III--1%

....ML 41503....

CHANGE OF NAME -- CNR RESOURCES, INC. TO BRANNIGAN RESOURCES, INC.

This office has received evidence that, effective May 15, 1989, CNR Resources, Inc. changed their name to Brannigan Resources, Inc.

The records of the following leases should be noted to show the change of name from CNR Resources, Inc. to Brannigan Resources, Inc.

....ML 18671....ML 20962....ML 22320....ML 28414....ML 33226....ML 33336....

Upon recommendation of Mr. Bonner, the Director approved the above captioned name change.

DISSOLUTION AND PASSAGE OF TITLE -- HIGH PLAINS OIL CORPORATION TO
ADOBE RESOURCES CORPORATION

This office has received evidence that effective February 28, 1989, High Plains Oil Corporation was dissolved and Adobe Resources Corporation was the sole shareholder, therefore, all assets of High Plains Oil Corporation became the property of Adobe Resources Corporation.

The records of the following leases should be noted to show the change of ownership from High Plains Oil Corporation into Adobe Resources Corporation.

....ML 22034....ML 33526....ML 37653....ML 38354....

Upon recommendation of Mr. Bonner, the Director approved the above captioned change of ownership.

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ACCEPTANCE OF BOND: T-BILL NO. 912794 TMG
ML 21569 - COAL, NEICO

Nevada Electric Investment Co., lessee, and Coal Systems Inc., designated lease operator, have purchased a U.S. Treasury Bill having par value of \$10,000 upon maturity date of January 18, 1990. This T-Bill was purchased in the name of Nevada Electric Investment Co. and State of Utah Division of State Lands and Forestry and is for reclamation bonding of geological drilling operations conducted under this lease. Zions First National Bank, Salt Lake City, Utah, through which this T-Bill was purchased, has been notified that the instrument is not to be redeemed by Nevada Electric Investment Inc. without the expressed written consent of the State of Utah Division of State Lands and Forestry. I recommend that this T-Bill No. 912794 TMG, credited to Account No. ACI CHK-47-00249-8, Zions First National Bank, be accepted as reclamation bond on ML 21569.

Upon recommendation of Mr. Blake, the Director accepted the above captioned T-Bill No. 912794 as reclamation bond for ML 21569.

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SURFACE BUSINESS MATTERS

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GRAZING PERMITS

AMENDED GRAZING PERMIT NO. 21447 (Addition of Acreage)

Mr. Floyd Ence, P.O. Box 2258, St. George, Utah 84770, has requested that the following State Land be added to the above referenced grazing permit:

T42S, R17W, SLB&M
Sec. 1: NE4SE4 (Lot 6)

Washington Co.
30.59 acres

This permit will now contain 159.39 acres equaling 12.75 AUM's at \$1.86/AUM for a total of \$23.72. The \$20.00 amendment fee has been submitted.

Upon recommendation of Ms. Dodge, Mr. Klason approved the amendment of GP 21447.

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PRE-PUBLIC SALE #6652 CANCELLATION

The above numbered sale application was filed with the Division on September 2, 1988. Processing of the application was begun and on May 22, 1989, a letter was sent to the applicant requesting the deposit of the appraisal and advertising fees, the archeological survey and giving the applicant sixty (60) days as required by rule to correct the deficiencies in the application. The applicant responded that he did not want to pursue this application and would let it be cancelled at the expiration of the sixty (60) day period. Therefore, P.P.S. 6652 should be cancelled pursuant to R632-80-3 and the \$100 application fee forfeited to the State.

Upon recommendation of Mr. Brown, the Director approved the cancellation of Pre-Public Sale 6652.

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GRAZING PERMITS

CORRECTION OF 05/22/89 DIRECTOR'S MINUTES - GRAZING PERMIT 21399

Sandy Johnson, P.O. Box 494, Monticello, UT 84535.

There was an error in the description of the May 22, 1989, Director's Minutes on the above described grazing permit. The description was listed as follows:

T35S, R18E SLB&M San Juan Co.
Sec. 32: All

The description should be corrected as follows:

T35S, R18E SLB&M San Juan Co.
Sec. 32: N2, N2SW4, SW4SW4, NE4SE4

The acreage, AUM amount, and rental fee are all correct as shown on the 05/22/89 Director's Minutes.

Upon recommendation of Mr. Baker, Mr. Klason, approved the above captioned correction.

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GRAZING PERMITS

GRAZING PERMIT APPLICATIONS

GP 21255
FRED DONLEY
PO BOX 81
MONTROSE CO 81401

2072.58 Acres \$372.00 per annum \$20.00 application fee 10 Years

County(s) Grand

5/01/89 Beginning Date

T 19 S, R 24 E, SLB&M
SEC. 36 A11

T 19 S, R 25 E, SLB&M
SEC. 32 A11

T 20 S, R 24 E, SLB&M
SEC. 2 A11

T 20 S, R 25 E, SLB&M
SEC. 10 SW4NE4, NW4SE4, N2SW4

Upon recommendation of Mr. Baker, the Director approved GP 21255.

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GRAZING PERMIT APPLICATIONS (cont.)

GP 21261
LOUISE L IRIART (MRS)
PO BOX 293
PRICE UT 84501

3598.60 Acres \$199.18 per annum \$20.00 application fee 10 Years

County(s) Emery

5/01/89 Beginning Date

T 24 S, R 9 E, SLB&M
SEC. 32 E2 NE4, S2
SEC. 36 A11

T 25 S, R 9 E, SLB&M
SEC. 2 A11
SEC. 16 A11
SEC. 32 A11
SEC. 36 A11

Upon recommendation of Mr. Baker, the Director approved GP 21261.

GP 21267
ANGELO GEORGEDES
GEORGE TELONIS ESTATE
761 NORTH 3RD EAST
PRICE UT 84501

240.00 Acres \$20.00 per annum \$20.00 application fee 10 Years

County(s) Emery

5/01/89 Beginning Date

T 19 S, R 13 E, SLB&M
SEC. 36 NE4 NW4, NE4, NE4 SE4

Upon recommendation of Mr. Baker, Mr. Klason approved GP 21267.

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GRAZING PERMIT APPLICATIONS (cont.)

GP 21279
JOHN NIELSON
BOX 620
HUNTINGTON UT 84528

280.00 Acres \$29.76 per annum \$20.00 application fee 10 Years

County(s) Emery

5/01/89 Beginning Date

T 16 S, R 9 E, SLB&M
SEC. 32 SW4, N2 SE4, SE4 SE4

Upon recommendation of Mr. Baker, Mr. Klason approved GP 21279.

GP 21282
KENT H BARTON
1535 SOUTH COURT STREET
VISALIA CA 93277

304.91 Acres \$29.76 per annum \$20.00 application fee 10 Years

County(s) Emery

5/01/89 Beginning Date

T 22 S, R 9 E, SLB&M
SEC. 36 S2 (less 15.09 acres in R/W 896)

Upon recommendation of Mr. Baker, Mr. Klason approved GP 21282.

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GRAZING PERMIT APPLICATIONS (cont.)

GP 21284
BAR MK RANCHES INC
C/O VAL DALTON
PO BOX 8
MONTICELLO UT 84535

7915.98 Acres \$673.67 per annum \$20.00 application fee 10 Years

County(s) San Juan

5/01/89 Beginning Date

T 28 S, R 20 E, SLB&M
SEC. 32 A11
SEC. 36 A11

T 29 S, R 20 E, SLB&M
SEC. 2 A11
SEC. 16 A11
SEC. 32 NE4 NW4, NE4, N2 SE4
SEC. 36 A11

T 29.5S, R 20 E, SLB&M
SEC. 36 E2, NW4, NE4 SW4

T 30 S, R 21 E, SLB&M
SEC. 2 A11

T 30 S, R 22 E, SLB&M
SEC. 16 W2

T 31 S, R 22 E, SLB&M
SEC. 36 A11

T 32 S, R 22 E, SLB&M
SEC. 16 N2SW4, SE4SW4, NW4, E2

T 27 S, R 20 E, SLB&M
SEC. 16 S2SE4, Lots 5,6,7,8, 10

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GRAZING PERMIT APPLICATIONS (cont.)

GP 21284 (cont.)

T 27 S, R 21 E, SLB&M
SEC. 32 NE4, E2NW4, W2SE4, S2SW4, NE4SW4

T 28 S, R 20 E, SLB&M
SEC. 2 SW4
SEC. 16 NE4, E2SE4

Upon recommendation of Mr. Baker, Mr. Klason approved GP 21284.

GP 21293
JOHN C NIELSON & SONS
PO BOX 620
HUNTINGTON UT 84528

2160.00 Acres \$232.50 per annum \$20.00 application fee 10 Years

County(s) Emery

5/01/89 Beginning Date

T 21 S, R 10 E, SLB&M
SEC. 36 A11

T 21 S, R 11 E, SLB&M
SEC. 16 A11
SEC. 32 A11
SEC. 36 SW4, SW4 SE4, SW4 NW4

Upon recommendation of Mr. Baker, Mr. Klason approved GP 21293.

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GRAZING PERMIT APPLICATIONS (cont.)

GP 21299
NEAL K DALTON
PO BOX 35
MOAB UT 84532

238.74 Acres \$20.00 per annum \$20.00 application fee 10 Years

County(s) Grand

5/01/89 Beginning Date

T 26 S, R 22 E, SLB&M
SEC. 18 S2 NE4, SE4 NW4, SE4 SE4, Lots 5 and 6

Upon recommendation of Mr. Baker, Mr. Klason approved GP 21299.

GP 21306
THERON DON JORGENSEN
PO BOX 522
CASTLE DALE UT 84513

640.00 Acres \$153.04 per annum \$20.00 application fee 10 Years

County(s) Emery

5/01/89 Beginning Date

T 23 S, R 11 E, SLB&M
SEC. 16 A11

Upon recommendation of Mr. Baker, the Director approved GP 21306.

GP 21318
DON R BARTON & JOSEPH
FRANCIS BARTON
PO BOX 233
MONTICELLO UT 84535

640.00 Acres \$20.00 per annum \$20.00 application fee 10 Years

County(s) San Juan

5/01/89 Beginning Date

T 31 S, R 24 E, SLB&M
SEC. 36 A11

Upon recommendation of Mr. Baker, Mr. Klason approved GP 21318.

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GRAZING PERMIT APPLICATIONS (cont.)

GP 21338
WM MARSING LIVESTOCK INC
4330 EAST 8900 SOUTH
PRICE UT 84501

640.00 Acres \$42.50 per annum \$20.00 application fee 10 Years

County(s) Emery

5/01/89 Beginning Date

T 16 S, R 14 E, SLB&M
SEC. 32 All

Upon recommendation of Mr. Baker, Mr. Klason approved GP 21338.

GP 21339
WM MARSING LIVESTOCK INC
4330 EAST 8900 SOUTH
PRICE UT 84501

1984.68 Acres \$181.21 per annum \$20.00 application fee 10 Years

County(s) Emery

5/01/89 Beginning Date

T 18 S, R 13 E, SLB&M
SEC. 2 All
SEC. 16 All
SEC. 32 All

Upon recommendation of Mr. Baker, Mr. Klason approved GP 21339.

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REQUEST FOR REFUND

Woodrow W. Staheli - 663 Staheli Drive - Washington City, Utah 84780 has requested a refund in the amount of \$623.70 from Right of Way 3073. This action is taken because of the misunderstanding concerning procedural requirements for an effective issuance of an easement.

Upon recommendation of Mr. Johnson, the Director approved the above captioned refund.

<u>INTEREST RATE</u>	<u>CURRENT YEAR</u>	<u>YEAR AGO</u>
Base Rate	11.00	9.50


PATRICK D. SPURGIN, DIRECTOR
DIVISION OF STATE LANDS/FORESTRY


LESLIE M. WARNER, RECORDS SUPERVISOR

ARCHIVES APPROVAL NO. 7900209

7/31/89 1w

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